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Bulk report – Week 15 2017

Capesize

Post Easter holiday blues hit the Capesize market with rates falling generally and a lack of Brazil activity unsettling owners and operators. An accident at the CSN berth in Itaguaí added to woes with a few ships losing subjects and coming back onto the market. Rates from Tubarao to Qingdao dropped significantly below \$14.00 with Oldendorff allegedly fixing a 5-15 May cargo at \$13.60 and Cargill booked SwissMarine tonnage at \$13.50. Further north, trading slowed significantly undermining owners resolve. Today saw a report of a Puerto Bolívar/Rotterdam cargo fixed at a sharply lower \$7.60. K-Line earlier this week fixed a ship from Montoir spot for a Colombia round at \$16,650 daily. Cargill fixed a 1-10 May 160,000-tonne 10% cargo from Ponta Da Madeira to two ports UK at \$8.25 at rate some suggested equated to the low \$10,000s daily. In the east, the West Australia/China rate held at above \$6.00 for most of the week but BHP Billiton booked two ships just under \$6.00 for 5-12 May and 6 May onwards and was today linked with tonnage at \$5.95. Then came news that Rio Tinto fixed a vessel at \$6.00 and Classic Maritime took tonnage for a 1-5 May cargo from Port Hedland to Qingdao in excess of \$6.45 with the usual \$299,000 disbursement putting the rate well over \$6.00 on normal.

Panamax

A thinner cargo list saw rates slip in the north Atlantic for both transatlantic and front haul business. There was a noticeable shortage of fixtures reported for the run east for ships open on the north Continent. The US Gulf too remained very slow with the brief revival in demand for ships to move coal to make up for an Australian logistical problem, now evaporated. A kamsarmax coming open in the Mississippi River, 27 April was booked to move grain to the east at \$16,000 daily plus a \$600,000 bonus but it was not clear if there was some waiting time involved. Transatlantic rounds were in short supply and a 2010-built 79,000-tonner fixed from Gijon via Kamsar with Stade redelivery at \$10,000 daily. South America trading too slowed this week with rates easing and charterers more frequently fixing on an aps basis. Several ships also failed on subjects as the week drew to a close including South America. Here an LME built 2014-built open Visakhapatnam fixed to load a 20-30 May cargo from east coast South to the east at \$12,300 daily a rate some said equated to \$31.00 basis Santos.

In the east, rates too came under pressure and here several ships were reported failed. A 76,000-tonner open Shibushi fixed for a NoPac round at \$11,500 daily while a kamsarmax ready Longkou went at an easier \$10,750 daily for a NoPac round with pet coke.

Supramax

A short week with a very quiet start. Overall trading slowed in the Pacific but remained positive in the Atlantic. More period fixtures were reported especially in the east with most said to have a backhaul trip as the first laden leg. A 56,000-dwt 2013-built delivery north of South America was booked for about four to six months at \$12,500 daily redelivery worldwide. Two 63,000-dwt vessels were fixed for short period at \$11,000 daily basis south China and \$11,500 daily and CJK respectively while a 56,000-dwt was paid at high \$9,000s for about three to five months delivery Indonesia and worldwide redelivery.

For east coast South America delivery, a 55,000-dwt 2010-built was fixed at \$14,000 daily plus a ballast bonus of \$400,000 redelivery China and a 55,000-dwt 2009-built was fixed for a similar trip at mid \$13,000s with \$350,000 ballast bonus. Rates from the US Gulf were showing some improvement with a 52,000-dwt 2004-built booked to west coast South America at \$20,250 daily and a 56,000-dwt 2011-built fixed for pet coke to the Pacific at \$21,000 daily both basis Gulf delivery.

Nickel ore trading was active in the east but coal stems from Indonesia were not providing much support to the market in Asia. A 55,000-dwt and a 57,000-dwt were fixed for nickel ore to China both at \$11,500 daily delivery in the Philippines. An ultramax delivery south China was

reportedly paid \$8,500 daily for a trip via Indonesia to China. From the Indian Ocean, a 53,000-dwt delivery Kandla was booked via the Persian Gulf to west coast India at \$7,000 daily and a 63,000-dwt delivery east coast India was fixed for salt to China at \$9,000 daily.

Handysize

Overall a positive short week on the handy sector with Atlantic index routes except for the US Gulf showing a gain. Sentiment was still improving for east coast South American deliveries. Tonnage on the Continent looked scarce for the balance of April which could result in levels pushing up. Asia had a flat time with a number of deals being failed on subjects and although the beginning of the week indices showed an increase Friday's numbers were negative.

The usual timber runs into eastern Mediterranean were apparently paying in 'five' figures. A modern 35,000-tonner was taken for a trip from Casablanca to Santos at a rate in the region of \$7,200 per day for the first 35 days with an unknown escalation thereafter. Sources advised that Norden fixed the *Loyalty* 30,000-dwt built 2011-built basis delivery Baltic for a trip to West Africa at \$10,300 daily. Two ships about 37,000-38,000-dwt were taken for a trip to west coast South America from Brazil each at \$18,500 per day. A 34,400-dwt which was said to have ballasted from Puerto Montt in Chile, accepted \$15,500 daily delivery east coast South America for a trip to the Continent. The Aristo River 33,532-dwt built 2005 covered at \$15,500 delivery east coast South America for a trip to Skaw-Gibraltar.

A 24,000-dwt and a 28,000-dwt both open CJK were failed on subjects for a trip to South Korea at \$7,000 daily while a 29,000 tonner also open CJK was failed on subjects for a trip from CIS to south Korea at a rate said to be in the high \$6,000s. Little concrete information emerged this week.

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